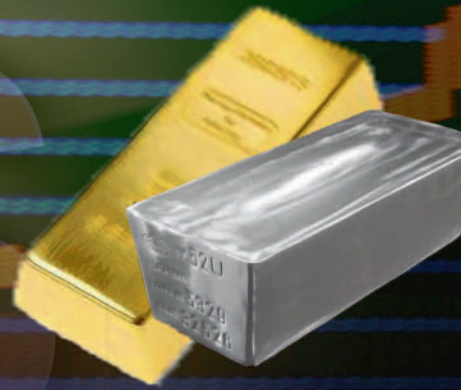


# E-dinar: gold made easy



**G**old and silver are undeniably enjoying a revival as an insurance against recession and inflation. The value of paper currency can be inflated by central banks printing more of it; ultimately they have value only because of the assumption that the government will not increase the money supply too fast. Precious metals have an intrinsic value and are therefore not dependent on government fiat. Gold and silver are unique by the fact that they are no-one else's liability. A piece of gold is independent of any financial system and unlike any paper assets, it does not depend upon anybody's promise to pay.

Since inflation is nothing but taxation by stealth, the rising popularity of precious metals as a medium of exchange and store of value is monitored with suspicion by governments. Not surprisingly, because if widely accepted it would severely limit the capacity of the government to generate income by printing money. Now it is easy to benefit from the inflation proof features that precious metal offers while at the same time being able to use it as a medium of exchange. E-currencies with 100% gold backing (also called Digital Gold Currencies, DGC's) offer an interesting prospect for the precious metal investor.

Goldmoney.com is a long-standing DGC and also WebMoney offers e-wallets denominated in Gold. E-dinar is a DGC with a lower profile that has been around for a long time. It is based in a very secure jurisdiction, the UAE, which has a long standing respect for private gold ownership. In the nineties, Dr. Zeno Dahinden (Switzerland), Prof. Fernando Vadillo (Spain) and Dato Abdul Rahman Shariff (Malaysia) gathered to develop a business concept of an electronic currency fully backed by gold. They created e-dinar and in 2000 established a company bearing the same name, based in the Dubai. E-dinar is by far the most flexible and secure gold backed electronic currency currently available. The number of E-dinar customers increases with 50% each year. The exchange fees and fees for storage of the metal are reasonable.

The E-dinar gold is stored in Dubai, a city known as "The City of Gold", and with a long history of gold trading, safely out of reach of Western governments. The E-dinar company offers e-dinars (backed by 4.25 grams of gold) and e-dirhams (backed by 3 grams of silver). Account holders can pay other e-dinar account holders by transferring e-metal to their account. Websites can implement a shopping basket accepting e-dinar as a form of payment; the code

for which is supplied by e-dinar company. The gold and silver bullion backing the e-currency is stored in the form of certified good delivery bars in allocated storage at Emirates Gold DMCC Company, located in Dubai Multi Commodities City. The bullion is held free of any lien or encumbrance whatsoever and may not be attached related to any liabilities of e-dinar.

Government issued currency can be exchanged into e-dinars or e-dirhams by transferring it to e-dinar's account in Dubai after opening an account with them and going through their KYC procedure. At any time delivery of the metal can be taken in the form of dinar gold coins, dirham silver coins or in the form of bullion. The metal can be collected in Dubai, shipped to another location, or stored in individual storage lockers in Dubai. Although initially the target market was the Middle East and South East Asia, nowadays 80% of customers who request shipments of physical gold to their home destinations come from Germany and Eastern Europe. It is also possible to convert the metal back into USD and EUR.

**Mr Adriaan Struijk**

Freemont Group

info@freemontgroup.com